

FISCAL NOTE

Bill #: HB0634

Title: Revise school laws

Primary Sponsor: Wagman, P

Status: As Introduced

Sponsor signature	Date	David Ewer, Budget Director	Date
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Fiscal Summary

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
Expenditures:		
General Fund	Unknown	Unknown
Revenue:		
General Fund	\$0	\$0
Net Impact on General Fund Balance:	Unknown	Unknown

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

1. Section 3 of HB 634 identifies the components of a basic system of free quality public elementary and secondary schools. The basic system includes the accreditation standards. The basic system is founded upon six tenets: learning opportunities for students; locally chosen curricula; competent, effective teachers, staff and administrators; parental involvement; building facilities or onsite distance learning technologies; and access for all students to building facilities or onsite distance learning technologies.
2. HB 634 does not alter the state's school funding formula established in Title 20, Chapter 9. The basic and per-ANB entitlements established in 20-9-306, MCA and the maximum and minimum budget limits established in 20-9-308, MCA still drive the level of state support for schools. Until the legislature ties its funding formula to its definition of "a basic system of free quality public elementary and secondary schools," the state cost to support the basic system will continue to be the funding level established by current law.
3. Schools are currently required to provide all of the programs and services listed in the bill's six tenets. The issue is whether schools have adequate resources to meet these requirements. There are four categories of accreditation: Regular, Regular Accreditation with Deviations, Accreditation with Advice, and Accreditation with Deficiencies. In FY 2004, only 466 (55%) of Montana's 853 public schools received regular accreditation; 206 (24%) received regular accreditation with deviations; 98 (11%) received accreditation with advice; and 83 (10%) received accreditation with deficiency. The most

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common reason for not meeting the accreditation standards is the assignment of teachers to teach subjects in which they are not endorsed to teach.

LONG-RANGE IMPACTS:

TECHNICAL NOTES:

1. The Board of Public Education is established by the Montana Constitution to exercise general supervision over the public school system. The state district court has ruled that the Board of Public Education has the authority to adopt policies for public schools without legislative approval. Therefore, Sections 1 and 2 of HB 634 are likely to conflict with the existing interpretations of constitutional delegation of powers.
2. Section 3 (7) (a) states that the legislature may authorize a study to reassess the basic educational system. It is unknown what the cost of that study will be or of the fiscal impacts it could have on the funding formula or the state costs of school funding.